



OFFICE OF
INSURANCE COMMISSIONER

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In the Matter of

James A. Meyer,

Licensee.

No. D 98 - 76

ORDER REVOKING LICENSE

To: James A. Meyer
N 12402 Division
Spokane, WA 99218

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your licenses are REVOKED, effective January 15, 1999, pursuant to RCW 48.17.530 and 48.17.540(2).

THIS ORDER IS BASED ON THE FOLLOWING GROUNDS:

1. You sold an American National Life contract to Clara Larson as a replacement for her Western United Life contract. You led her to believe she would receive a \$14,000 bonus when in fact she would not. You failed to disclose sufficiently that the new policy would be subject to surrender and withdrawal penalties while the old policy was beyond that stage. Your disclosures on the replacement notice were incomplete and misleading, particularly your answer to the question about penalties and surrender charges, where your statement of "10% -- 0%" failed to give the information needed and was incomplete and misleading. This conduct violated WAC 284-23-440 and RCW 48.30.090.

2. You sold a Fortis contract to Clara Larson as a replacement for her American National contract. You failed to complete a replacement notice in connection with that transaction. You failed to disclose the tax liability of approximately \$20,000 she would incur as a result of the transaction as you structured it. You did not disclose or explain the withdrawal penalty she would incur as a result of the transaction. This conduct violated WAC 284-23-440 (part of the replacement regulation), RCW 48.30.040, and RCW 48.30.180.

The above conduct constitutes wilful violation, or knowing participation in the violation, of the Insurance Code or proper orders or regulations of the Commissioner within the meaning of RCW 48.17.530(1)(b). By the above conduct, you have shown yourself to be incompetent or untrustworthy or a source of injury and loss to the public within the meaning of RCW 48.17.530(1)(h).

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IT IS FURTHER ORDERED that you return your insurance agent's license certificate or certificates to the Commissioner on or before January 15, 1999, the effective date of the revocation of your license, as required by RCW 48.17.530(4).

NOTICE CONCERNING YOUR RIGHT TO A HEARING. If you are aggrieved by this Order, RCW 48.04.010 permits you to demand a hearing. Pursuant to that statute and others: You must demand a hearing, in writing, within 90 days after this Order was mailed to you, or your right to a hearing will be deemed to have been waived. Your demand for a hearing must specify in what respects you are aggrieved and the grounds to be relied upon as basis for the relief to be demanded at the hearing. If your demand for a hearing is received by the commissioner before the effective date of the revocation, the revocation will be stayed pending the hearing, pursuant to RCW 48.04.020. Upon receipt of a demand for hearing, the commissioner will mail you a notice concerning the time, place, and details of the hearing. You are advised that the commissioner may levy a fine against you, pursuant to RCW 48.17.560, in addition to or in lieu of the suspension or revocation of your license, in the event of a hearing, if any grounds relied upon in this Order are sustained. Please send any demand for hearing to Insurance Commissioner, attn William Frandsen, Deputy Commissioner, Post Office Box 40257, Olympia, WA 98504.

ENTERED AT LACEY, WASHINGTON, on December 16, 1998.

DEBORAH SENN
Insurance Commissioner

By



WILLIAM E. FRANDSEN
Deputy Commissioner

Investigator: Tom Talarico